

***United States Court of Appeals
for the Second Circuit***



APPELLEE'S BRIEF

74-2413

United States Court of Appeals

FOR THE SECOND CIRCUIT

MOORE BUSINESS FORMS, INC.,

Plaintiff-Appellant,

v.

MINNESOTA MINING AND MANUFACTURING
COMPANY,

Defendant-Appellee.

APPEAL FROM A JUDGMENT OF THE UNITED STATES DISTRICT
COURT FOR THE WESTERN DISTRICT OF NEW YORK.

BRIEF FOR DEFENDANT-APPELLEE

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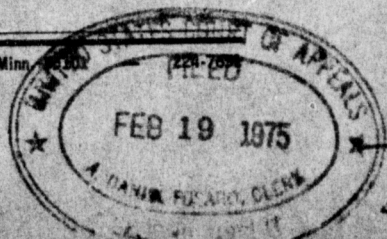




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Preliminary Statement

This is a patent case. The Honorable John T. Curtin, United States District Judge for the Western District of New York, sitting at Buffalo, granted summary judgment holding that defendant's 3M Brand carbonless paper, Type 200, does not infringe plaintiff Moore's Macaulay Patent No. 3,016,308. The opinion of the District Judge is reported at 384 F. Supp. 533 (W.D.N.Y. 1974).

RESTATEMENT OF ISSUES PRESENTED FOR REVIEW

1. Can a patent claim which is "dependent" in form (i.e., which incorporates a base claim by reference) be infringed by a structure which does not also infringe the base claim, where decisions of this Court and the patent laws require that a "claim in dependent form shall be construed to include all the limitations" of the base claim?

2. May a patent claim be construed, under the doctrine of equivalents, as omitting a feature expressly recited therein, where —

(a) in the description of the patent, the feature is repeatedly stressed, is made a part of every object of invention, and forms the basis for contrasting what had been invented over the prior art; and

(b) in securing the patent, application claims not limited to said feature were amended to include it following rejection on the prior art, no claims being allowed in the Patent Office until all claims were so limited?

3. Where a patent owner asserts infringement under the doctrine of equivalents, considerations of file wrapper estoppel aside, is a triable fact issue raised as to whether an allegedly infringing structure is the equivalent of the patented structure absent tender of factual evidence comparing similarities of the two structures?

The District Court correctly decided each of these issues in the negative.

RESTATEMENT OF THE CASE

The Nature of the Case And Proceedings Below

On January 25, 1972, plaintiff-appellant Moore Business Forms, Inc. ("Moore") sued Minnesota Mining and Manufacturing Company ("3M") in the United States District Court for the Western District of New York, at Buffalo, for infringement of plaintiff's Macaulay Patent No. 3,016,308. Defendant-appellee 3M duly answered, denying infringement of the Macaulay patent and affirmatively asserting the defenses of invalidity and unenforceability by reason of laches and estoppel.

Each side conducted discovery which developed the identity of the single product of 3M charged by Moore to infringe, as well as its composition and process of manufacture. Defendant 3M, in July 1973, filed a motion for summary judgment of non-infringement. (A 14.) Upon affidavits and documents submitted by both sides, and after four oral arguments, the Court, on July 2, 1974, granted the motion and entered its judgment that—

"defendant's manufacture, use and sale of its 3M brand carbonless paper, Type 200, does not infringe plaintiff's patent." [A 91.]

On September 9, 1974, following further hearing, treated as reargument, the Court adhered to its decision. (A 93.) On October 15, 1974, the final judgment dismissing the complaint (A 98), here appealed from (A 99), was entered. (A 97).

Restatement of Relevant Facts

Plaintiff Moore, a Delaware corporation having offices in Niagara Falls, New York, is a large and well-known distributor of business forms worldwide. Defendant 3M is a Delaware corporation with principal offices in St. Paul, Minnesota, also having a sales office in Cheektowaga, New York, near Buffalo, where this suit was filed. 3M manufactures and sells copying products, including the carbonless copy paper here involved.

The patent in suit, Macaulay U. S. Patent No. 3,016,308, was applied for August 6, 1957. The patent issued to Moore in January, 1962.

When this suit was filed a decade later, in January 1972, the parties were not strangers to one another. As the District Court observed, Moore had been a good customer of 3M since 1962 (A 78-79), 3M having sold "enormous quantities" of carbonless paper to Moore.

**— 3M's accused carbonless papers, and its
"wet process" of manufacture, held not to
infringe**

Since Moore employed the short form of complaint (A 7), no allegedly infringing product of 3M was identified therein. Following joinder of issue, 3M developed by interrogatory that only one product stood accused, viz., "defendant's Type 200 carbonless paper".¹

The accused paper is referred to as "carbonless" to differentiate it from the long-known dark-blue or black carbon papers which, upon being interleaved between successive sheets, cause a transfer of carbon particles to the underlying sheet in

¹ Exhibit to Joint Appendix, pages 247-249, as numbered in the upper right corners, under Tab J; cited herein as Ex. Tab J, pp. 247-249.

response to the impact of a typewriter key or the pressure from a writing instrument.

Carbonless papers are white or pastel like conventional papers used in business. They do not depend upon carbon transfer for imaging. Instead, they are imaged by chemical reaction of ingredients carried by the papers themselves.

The District Court succinctly summarized the accused Type 200 paper, as well as 3M's closely related Type 100 carbonless paper (which is not accused as infringing):

"The affidavit of Dr. Ostlie, dated June 29, 1973, states that defendant Minnesota Mining and Manufacturing Company manufactures and markets carbonless paper products designated as carbonless paper, Type 100, and carbonless paper, Type 200. In the case of the Type 200 paper, microscopic capsules containing an imaging fluid are coated on the surface of the paper." [A 79-80.]²

In reproducing an image, the Court continued:

"With each type of paper, when the sheets are impacted by a writing instrument the microscopic capsules are ruptured in the impacted areas, releasing the fluid, which reacts with other components to form an image in the impacted area. * * * [W]ith carbonless paper Type 200, two or more sheets are needed to create the image because the microcapsules in the Type 200 paper containing the imaging fluid are coated on the back of a sheet and the component with which the fluid reacts on release, through

² The Ostlie affidavit referred to by the Court was filed by 3M. It was not controverted by Moore below. (A 89.) Nor is it challenged here. (Cf., Br. 8.) The affidavit appears twice in the appendix documents: without the annexed exhibits (A 52-64), and complete (Ex. Tab K, pp. 270-277).

impacting of the capsules, is contained on the front surface of the underlying sheet. When the two sheets are together and impact occurs, an image is formed on the underlying sheet. The capsule layer in the Type 200 paper contains, in addition to the imaging microcapsules, a small quantity of relatively larger scuff microcapsules which serve as spacers to minimize contact between adjoining sheets in the Type 200 system, in order to avoid premature or inadvertent images." [A 80.]

The Court also discussed the process by which the microcapsule ingredients of 3M's carbonless papers are made:

"All the microcapsules employed in defendant's commercial carbonless papers are formed in aqueous slurry, which slurry is of a pumpable consistency and contains more than one-half water." [A 81.]

In the manufacture of the papers themselves, the District Judge stated:

"In the manufacture of the Type 200 carbonless paper, the aqueous slurry of imaging capsules is dumped into a tank and blended with the aqueous slurry of scuff capsules and this solution is then coated onto the paper. * * * In any transportation or other steps taken in the manufacture prior to the final product formation, the microcapsules are handled as a slurry, always containing more than one-half water." [A 81.]

Because 3M's microcapsules are formed in water, retained in water, and incorporated into the carbonless paper from water, they are never separated from water during manufacture until finally deposited and fixed firmly into place. Thus, 3M's process in manufacturing the accused carbonless papers may be referred to as a "wet process".

— Macaulay Patent No. 3,016,308 in suit
is directed to formation of dry free-
flowing powders of microcapsules and
products made therewith

The written description of the Macaulay patent (Ex. Tab A) appears in the printed matter at Col. 1 through Col. 12, line 50. (id., pp. 3-8.) The patent claims appear at Col. 12, line 52, to the end of the patent at Col. 16. (id., pp. 8-10.) Claims 8, 11-13, 16, 17 and 22-29 are charged by Moore to be infringed by 3M's Type 200 paper and its wet process of manufacture.

Whether by reference to its claims or to its description, the words of the patent are directed to a free-flowing powder of microcapsules. Thus, the first paragraph states (id., p. 3):

"This invention relates to a novel product comprising a substantially dry *free-flowing powder* of microscopic discrete capsules, to the process of producing said product, and to a pressure-sensitive record or copying material having a transfer coating of said microscopic discrete capsules on at least a portion of one surface thereof. The discrete capsules which make up the *free-flowing powder* of the invention possess a shell or wall containing therein a marking fluid."³

Forty-six times the patent expressly uses the description "free-flowing powder". Never are Macaulay's capsules described as being harvested in a water slurry. Never is a wet process disclosed except to be distinguished as having been known in the prior art.

As observed by the District Court:

"The description of the Macaulay patent states that it is the object of the Macaulay patent to provide a process

³ Emphasis supplied unless otherwise noted.

for producing substantially dry, free-flowing powder of microscopic discrete capsules of marking fluid which may be applied to paper." [A 83.]

In respect to Macaulay's distinction of his invention from the "wet process", the Court observed:

"The obvious thrust of the description of the Macaulay patent is to distinguish the process described in the Macaulay patent from the prior art as described in the Green patent. In the Green patent, microscopic capsules must be produced in an aqueous solution." [A 83.]

Moore does not controvert this summary of the Macaulay patent by the District Court.

Like the descriptive portion of the patent, each of the Macaulay claims either independently calls out or depends upon a claim calling out a "free-flowing powder of microcapsules". In respect to the claims which 3M's Type 200 carbonless paper product is charged to infringe:

Claim 8 is directed to a process for producing a "*free-flowing powder * * **" (Ex. Tab A, p. 9.)

Claims 11, 12, 13, 16, 17 and 22 are each directed to a "*free-flowing powder * * **" (id., p. 9.)

Claim 23 is directed to a "record copying sheet having * * * a coating of a *free-flowing powder * * **" (id., p. 9.)

Claims 24-29 are directed either to a "record copying sheet" or to a "paper", the capsules "being those defined by claim 11", above shown to be directed to "*a free flowing powder * * **" (id., pp. 9-10.)

— Macaulay patent never became commercial

While 3M's Type 200 carbonless paper made by the wet process has been an on-going commercial product for years, "enormous quantities" having been sold to plaintiff Moore alone (A 79), Moore has never marketed a commercial product under the Macaulay patent. Not for lack of interest on Moore's part, however. Moore has maintained a research project continuously for more than fifteen years since the filing of the Macaulay patent application in August, 1957. (Ex. Tab M, Macaulay dep., pp. 283-284; Tab M, Research Report, pp. 285-286; Tab M, O'Brien dep., p. 287.)

Moore finally did announce its "MCP" paper (for Moore Carbonless Paper) in 1972, at a time curiously coincidental with the filing of this suit. Such product, however, was made not from a free-flowing powder of capsules, but by a wet process. And the product of Moore was marked, not with the Macaulay patent number, but as being made under another patent not here in suit. (Ex. Tab J, Yeh dep., pp. 258, 261.)

— Wet process disclosed in prior art Green patents, over which Macaulay distinguished before his patent was granted

At the end of the Macaulay patent (Ex. Tab A, p. 10) are listed the "references cited" in the Patent Office proceedings upon which the Macaulay patent was granted. Three of these issued to the same inventor, Green, No. 2,712,507, granted July 5, 1955, and No. 2,800,457 and No. 2,800,458, both granted July 23, 1957.

As can be seen, each of the Green patents was granted before the Macaulay application was filed on August 6, 1957.

The Court had before it, and considered (A 85-89) the pertinent prior art teachings in the form of characterizations by the patentee Macaulay in his patent (Ex. Tab A, p. 3, Col. 1, line 63, to Col. 2, line 34), by the Patent Examiner during the proceedings on Macaulay's application leading to his patent (Ex. Tab B, pp. 56-57, 77-78, 96-98), and by Macaulay's patent solicitor in those proceedings. (Ex. Tab B, discussed *infra*.) Accordingly, the three Green patent documents, *as such*, were not submitted to the District Court by either party.

From these appraisals, the prior art Green patents disclose the formation of microcapsules in water and the formation of a copying paper by the wet process. While also noting that the microcapsules formed in water can be thereafter dried to free-flowing form, Macaulay always maintained the Green patents disclosed paper coated only using wet capsules. (Ex. Tab B, pp. 19-20, 70-71, 89-90, 106-112, 122-123.)

The Green patents are filed in this court (Ex. Tabs C, D and E) as part of the proceedings on Moore's unsuccessful motion to enlarge the record under F.R.A.P. Rule 10. (Cf. A 100-101.) Moore quotes from them. Review of the patents confirms the stance of Macaulay, his solicitor, and the Patent Examiner as to their teachings, as just outlined. Neither does Moore's brief here disagree.

— The Patent Office proceedings upon which the Macaulay patent was granted

The "file wrapper" of the Macaulay patent, containing the Macaulay application for patent as filed on August 6, 1957, and the proceedings therein, appears at Ex. Tab B, pp. 12-156.

In respects here material, the written description contained in Macaulay's original application filed August 6, 1957 (Ex. Tab B, pp. 17-46) is like the written description printed as Columns 1-12 of the patent. (Ex. Tab A, pp. 3-8.)

The claims of the Macaulay application changed during the proceedings before the grant of the patent. (Ex. Tab B, pp. 47-51.) Whereas the patent claims either call out, or depend from another claim calling out, a "free-flowing powder" of capsules, original Macaulay claims were not so limited.

Consider, for example, the pedigree of Macaulay patent claim 24, which, along with claim 11 referred to therein, is said by Moore to be representative. (Br. 13-14.) Claim 24 finds its genesis in original Macaulay application claim 15. (Cf. Ex. Tab B, p. 147.)

Before tracing its lineage, however, first contrast patent claim 24 (Ex. Tab A, p. 9) with its forebear. (Ex. Tab B, p. 50.) Side by side they read, with additional matter contained in patent claim 24 italicized:

Application Claim 15

"15. A record copying sheet having on at least a portion of one side thereof a coating of microscopic discrete capsules comprising a rupturable shell containing therein a marking fluid capable of being liberated when the shells of said discrete capsules are ruptured upon being subjected to external pressure, said capsules being held to said sheet by a binder which is of a different substance from that forming the rupturable shell of said capsules."

Patent Claim 24

"24. A record copying sheet having on at least a portion of one side thereof a coating of microscopic discrete capsules comprising a rupturable shell containing therein a marking fluid capable of being liberated when the shells of said discrete capsules are ruptured upon being subjected to external pressure, said capsules being held to said sheet by a binder which is of a different substance from that forming the rupturable shell of said capsules, *said microscopic discrete capsules being those defined by claim 11.*"

The two claims are thus identical, except for the added phrase in the patent claim specifying the capsules as being "those defined by claim 11" which is directed to "free-flowing powder". (Ex. Tab. A, p. 9.) Original claim 15 contained no such limiting specification on the capsules.

Since not distinguishing between paper made "wet" and that made with dry, free-flowing capsules, Macaulay application claim 15 embraced both, and thus would have read on 3M's Type 200 carbonless paper—had the original claim only issued in the Macaulay patent without the added phrase.

But the Patent Examiner—and the prior art—intervened.

As a consequence, the limiting phrase was introduced.

Thus, in Office Action dated December 12, 1957, the Examiner rejected application claims 14-20 "as unpatentable over Green (2) or (3)", a reference to prior issued Green U. S. Patents 2,800,457 and 2,800,458. (Ex. Tab B, p. 56.)

Macaulay, through his patent solicitor, responded on June 9, 1958. (Ex. Tab B, p. 58.) Application claim 15 was amended to narrow it to the microscopic capsules "defined by claim 23". (id., p. 63.) Claim 23 was directed to a "free-flowing powder * * *". (Ex. Tab B, p. 58.)

Explaining that claim 15 was "amended to define the capsules as those of claim 23", Macaulay distinguished Green's wet process, stating:

"Applicant's record copy sheets possess significant advantages over the products of the Green patents. The Green patents disclose the preparation of capsules which are produced in aqueous dispersions and it is the aqueous dispersions which Green contemplates applying to paper.

* * * The applicant is able to produce in one step (as against 10 steps of Green) a product which is not tacky but is in the form of a *free-flowing dry powder*. * * * It is, therefore, submitted that applicant's claims, *as amended*, clearly distinguish over the cited art." [Ex. Tab B, pp. 70-72.]

The Examiner persisted in rejecting application claim 15 (along with the remainder of claims 14-20), stating:

"Claims 14-20 are rejected as unpatentable over Green (2) * * *" [Ex. Tab B, p. 77.]

In response, Macaulay on June 4, 1959, re-amended claim 15 to "cancel the previous amendment" and to replace it with "said microscopic discrete capsules being those defined by claim 36" (Ex. Tab B, p. 84), claim 36 being another claim directed to a "free-flowing powder" of microscopic capsules. (id., p. 80.) Note Macaulay's explanation of this amendment to avoid the Green patent (id., p. 89-90), emphasis being contained in the original:

"The applicant recognizes that he is not the first to apply a marking capsule to a copying sheet, but he is the first one to provide a copying sheet having his unique microscopic discrete rupturable capsules affixed to it. * * * The Green patent requires the preparation of capsules in the form of aqueous dispersions and it is this *aqueous* dispersion which the patentee applies to the paper. *This technique possesses many disadvantages* * * * The applicant's capsules on the other hand, are obtained as a free-flowing dry powder and can be applied in a number of binders which are not aqueous and, therefore, do not buckle, warp, or corrugate the paper. This is much more than an obvious expedient as suggested by the Examiner."

Macaulay then concluded his explanation, stating:

"In view of the results achieved by the applicant's copying sheet and the difference in the character of the capsules employed, it is submitted that these claims are clearly patentable over the prior art." [Ex. Tab B, p. 90.]

The District Court took note of Macaulay's explanation for the amendment of claim 15 to avoid the prior art. (A 87-88.)

Following repetition of this argument on appeal within the Patent Office (Ex. Tab B, pp. 116-117), application claim 15 as narrowed by amendment from its original form to avoid the prior art was allowed. (Ex. Tab B, p. 149.) It was renumbered when the patent issued as patent claim 24, application claim 36 from which it depends also being renumbered as Macaulay patent claim 11. (id., p. 146.)

No claim of the Macaulay application was allowed by the Patent Office until by amendment all claims either contained, or referred back to claims containing, "free-flowing powder".

— Decision on summary judgment

By decision and order filed July 2, 1974 (A 76), and judgment (A 91), the Court granted 3M's motion, stating in the judgment:

"It is Ordered and Adjudged that defendant's manufacture, use and sale of its 3M brand carbonless paper, Type 200, does not infringe plaintiff's patent."

As grounds for decision, the District Court's opinion cites (A 76-90):

(1) Each of the claims of the Macaulay patent calls for or depends upon a free-flowing powder of microscopic capsules. (A 84.)

(2) The affidavit of Dean A. Ostlie which explains that defendant forms its microcapsules in an aqueous slurry and keeps them in that form throughout production of the accused carbonless papers "is uncontroverted by plaintiff". (A 89.)

(3) The Swiercz affidavit filed by defendant does not attempt to show equivalency with respect to the microcapsules alleged to infringe. No tests have been conducted on the alleged infringing carbonless papers. (A 82.) The Swiercz affidavit presents no genuine issue of fact on the question of defendant's Type 200 brand carbonless papers infringing the Macaulay patent in suit. (A 90.)

(4) Plaintiff is precluded, because of file wrapper estoppel, from applying the doctrine of equivalents to 3M's accused carbonless paper. (A 90.)

The Court's opinion also makes clear (A 77-78) that his judgment of non-infringement was not arrived at lightly or without opportunity for ample presentation by both sides. (A 22-23, 28-34, 37, 46, 68-69.) The District Judge held four oral arguments (A 22, 24, 64, 74), cumulating to 256 pages of transcript, during which decision on summary judgment was withheld by the Court (A 34) pending opportunity for Moore to serve revised interrogatories and take "discriminate depositions" (A 33) in order to present a showing on the motion.

Following decision and its notice of appeal, Moore then filed motion to enlarge the record under Rule 10 of the Federal Rules of Appellate Procedure to add the three Green patents (A 100) which the Court denied (A 109-110) since "neither party * **submitted the said Green patent documents as such, although ample opportunity was afforded therefor".

ARGUMENT

If ever a District Judge were justified in granting summary judgment to dispose of a groundless patent infringement action, this is such a case.

Moore admits (Br. 8) that 3M's showing "should be accepted as factually correct" that the microcapsules employed in 3M's Type 200 carbonless paper are formed in an aqueous slurry, are always handled as an aqueous slurry, and at no time can they be characterized as a free-flowing powder.

The claims of the Macaulay patent are each limited in terms to a "free-flowing powder" of microcapsules, including dependent claims 24-29, by reason of their reference back to base claim 11 which is so limited.

Moore contends its patent is nonetheless infringed under the doctrine of equivalents. The District Court was correct in both grounds upon which it decided against Moore as a matter of law. Thus —

First, Moore is estopped as a matter of law from contending that its patent on "free-flowing powder" capsules is infringed, particularly where in his patent Macaulay forty-six times stressed "free-flowing powder", his claims were all limited thereto in prosecution before the Patent Office, and unless so limited they would embrace the wet process which he mentioned in his description merely to contrast with what he invented.

Most pertinent by way of summary is this Court's statement refusing to apply the doctrine of equivalents in *International Latex Corp. v. Warner Brothers Co.*, 276 F. 2d 557, 564 (2d Cir. 1960):

"Nonetheless we think it would be incongruous to apply an equitable doctrine, which is 'in misericordiam to relieve those who have failed to express their complete meaning,' *Claude Neon Lights v. E. Machlett & Son*, 2 Cir., 1929, 36 F. 2d 574, 576, in such a way as to grant to a patentee, who has deliberately accepted a patent limited to a single application of his invention, protection against a defendant who had made a different application—particularly when neither the claims nor even the specifications contain language enough to comprehend what defendant has done."

Second, even if there were no estoppel, Moore's assertion of the doctrine of equivalents falls as a matter of law because no genuine issue of material fact has been raised under F.R.C.P. Rule 56.

It was not that Moore was deprived of ample opportunity to raise a triable issue, if one existed. The vacillations of Moon in gaining reprieve by seeking one course only to follow another (or none at all) are self-explained in Judge Curtin's opinion (77-78), particularly upon reference to the transcript of the four separate oral arguments, extending over a period of nine months, during which with patience unbounded the Court gave Moore opportunity to make its case. (A 22-23, 28-34, 64-65, 68-69, 74.) Despite all the opportunities, it could not.

Undisputed Facts Show There Can Be No Literal Infringement

Standing uncontroverted is the Ostlie affidavit showing that 3M only uses wet capsules and a "wet process" in the manufacture of the accused Type 200 carbonless paper, wherein "at

no point from the formation of microcapsules to the production and packaging of the carbonless paper products, can the microcapsules employed in any carbonless paper product of 3M be characterized as a 'free-flowing powder'." (A 21.) As Moore grudgingly puts it (Br. 8), with emphasis by Moore:

"The present appeal, however, does *not* involve any issue as to discovery, so for the purposes of this appeal, Dr. Ostlie's affidavit (A 17) in support of summary judgment should be accepted as factually correct."

As correctly observed by the Court (A 84):

"The claims that defendant is charged to infringe, claims 8, 11, 12, 13, 16, 17, 22, 23, 24, 25, 26, 27, 28 and 29, are all either directed to or defined by a process for producing a free-flowing powder."⁴

Being so limited to a "free-flowing powder", it inexorably follows that none can be literally infringed by 3M's use of wet capsules in its wet process.

Moore does not contend otherwise in respect to Macaulay claims 8, 11-13, 16, 17, 22 and 23 here in suit. Literal infringement is asserted by Moore, however, for the remaining claims 24-29. Consider therefore —

⁴ While of no moment to the present point, Moore tortures this sentence (Br. 40) in order to lay groundwork for its fallacious contention that Judge Curtin spoke too much of process (*infra*, pp. 34-35). Thus, by *partial* quotation only (Br. 40), Moore creates the misimpression that "the District Judge thought all the asserted claims were 'directed to or defined by a process . . .'" Reading the *complete* predicate (with pauses indicated as context requires) confirms recognition that the Macaulay claims "are all either directed to, or defined by a process of producing, a free-flowing powder".

**— Moore's contention that claims 24-29
are literally infringed is without
merit, as a matter of law**

Each of Macaulay claims 24-29 is directed to a paper or record copying sheet having a coating of capsules, "said microscopic discrete capsules being those *defined by claim 11*".

Macaulay claim 11, it will be recalled, is directed to "a free-flowing powder of microscopic discrete rupturable capsules * * *".

Despite Moore's concession (Br. 8) that in the manufacture of Type 200 paper at no time is a "free-flowing powder" of capsules involved, Moore nevertheless contends by its Issue 7 (Br. 3) and argument (Br. 44-46) that "claims 24 to 29 are literally infringed" by 3M's Type 200 paper.

Moore's point seems to be that since the reference back in claims 24-29 refers only to "said microscopic discrete capsules", somehow the whole of claim 11 is not incorporated therein.

The point being so decisive, Moore's approach is most curious, for if it were only correct, triable issues might then exist. Why with such ammunition, requiring but two and a fraction pages to express, does Moore wait until page 44 to fire?

The reason is clear. Moore's point is groundless by reason of controlling law, including a case of this Court Moore itself cites (Br. 22) on another point. *Zenith Radio Corp. v. Lehman*, 217 F. 2d 954 (2d Cir. 1955), *affirming per curiam* "on Judge Weinfeld's opinion", 121 F. Supp. 69 (S.D.N.Y. 1954).

Zenith involved an action for declaratory judgment of non-infringement of a patent. There, claim 18, a "base" claim of

the patent in suit, called for a combination of an "apparatus for transmitting speech" and a "portable receiver". Claim 19 referred only to "a receiving apparatus as claimed in claim 18***". The patent owner Lehman, like Moore here, maintained that claim 19 did not claim the entirety of base claim 18 "but 'depends from' only that part of claim 18 which defines a portable receiver". The Court disagreed.

After observing (121 F. Supp. at 71) "that the Courts and Patent Office have never construed 'dependent' claims to include less than the entire combination of elements recited in the base claim", Judge Weinfeld reviewed the evolution of dependent claims, concluding (*id.*, p. 72):

"And in all instances since its inception the dependent claim has been construed to embody all the elements of the parent claim to which it refers and has been deemed a limitation grafted on the parent or 'base' claim. These rulings are, in fact, now codified in Rule 75(c) of the Rules of Practice of the Patent Office."

Patent Office Rule 75(c), to which the Court referred in *Zenith*, was in force during the pendency of the Macaulay application. Its terms require that Macaulay claims 24-29 must be read to include *all*, not just part, of claim 11.

"When more than one claim is presented, they may be placed in dependent form in which a claim may refer back to and further restrict a single preceding claim. Claims in dependent form shall be construed to include all the limitations of the claim incorporated by reference into the dependent claim." [37 C.F.R. § 1.75c.]

All during the pendency of the Macaulay patent, this rule had the force and effect of law. *Anderson v. Walch*, 152 F. 2d

975, 980 (CCPA 1946). More recently, the long standing dependent claim rule has been formally codified. See 35 U.S.C. § 112, as amended July 24, 1965:

"A claim may be written in independent or dependent form, and if in dependent form, it shall be construed to include all the limitations of the claim incorporated by reference into the dependent claim."

Moore cites no authority for its contrary contention that dependent claims 24-29 do not include all the limitations of base claim 11. The only argument Moore advances is found at Br. 45. There Moore says:

"it would certainly seem apparent that the reason [claim 24] did not refer back to a free-flowing powder of capsules is because such a free-flowing powder, on a sheet of carbonless carbon paper, would be inoperative."

Moore's argument is specious. The capsules on the completed paper are, of course, fixed in place. It is the "dry free-flowing powder" which is to be *applied* to the claimed product. This is made abundantly clear from the Macaulay patent itself. Indeed, an object of the invention is to provide free-flowing powder "which *may be applied* to paper". (Ex. Tab A, p. 3; Col. 2, lines 56-59; see also Col. 7, lines 60-71.)

The true stripe of Moore's argument is revealed by noting that Macaulay claim 23 explicitly calls for just such a product as it says "would be inoperative":

"A record copying sheet having on at least a portion of one side thereof a coating of a free-flowing powder * * *"
[Ex. Tab A, p. 9.]

Considering the lack of basis for Moore's argument that "claims 24-29 are literally infringed", it is no wonder that "the lower court never referred to the question in its decision".

Since there can be no literal infringement, Moore is left with the patent owner's haven of last resort. Thus—

**District Court Correctly Held 3M's Type
200 Paper as a Matter of Law Cannot Infringe
Macaulay Patent Under the Doctrine of Equivalents**

The question of equivalency *normally* is one of fact. Moore, by clipping a quotation from the District Court's opinion (A 84), believes the court below lost sight of this point, stating (Br. 52):

"Judge Curtin, however, apparently considered equivalence to be a question of law."

Had Moore but noticed seven lines earlier in the very paragraph from which it quoted, its concern for the District Judge's understanding would have been allayed (A 84):

"Generally, equivalence is a question of fact."

The Court understood completely, but held, in this particular case, that on two grounds summary judgment was nonetheless appropriate.

Consider the first ground—

— File wrapper estoppel precludes Moore from attempting to show that 3M's Type 200 carbonless paper, its wet capsules and wet process are the equivalent to that claimed in the Macaulay patent

The District Court found file wrapper estoppel. (A 90.) It did so only after examining the *entire* picture surrounding the Macaulay patent. The result of the estoppel is that Moore is precluded from attempting to show in connection with the accused carbonless paper that "producing microcapsules in aqueous dispersions is equivalent to producing microcapsules as a free-flowing powder". (A 90.) *Exhibit Supply Co. v. Ace Patents Corp.*, 315 U.S. 126, 137 (1942); *Graham v. John Deere Co.*, 383 U.S. 1, 33 (1966); *Ling-Temco-Vought, Inc. v. Kollsman Instrument Corp.*, 372 F. 2d 263, 270 (2d Cir. 1967).

Before showing that the Court properly applied the criteria of file wrapper estoppel, it should be noted that -

— Moore now concedes that no remand for testimony is needed on the file wrapper estoppel issue (Br. 35)

The question of file wrapper estoppel "is one of construction" of the patent. *Exhibit Supply Co. v. Ace Patents Corp.*, 315 U.S. 126, 137 (1942). And questions of patent construction, as has been settled since before the turn of the century, are questions of law for the court. *Coupe v. Royer*, 155 U.S. 565, 574-575 (1895); *Cold Metal Process Co. v. E. W. Bliss Co.*, 285 F. 2d 231, 239 (6th Cir. 1960); *Del Francia v. Stanthony Corp.*, 278 F. 2d 745, 747 (9th Cir. 1960).

In the District Court, Moore wanted a trial, claiming lawyer's opinion testimony was needed on the legal question of construction. Now Moore's view has changed. First, by its statement of reasons in support of motion to file an over-length brief, Moore asserted, in effect, that by merely presenting an "extra nine and one half pages", determination of file wrapper estoppel could be had without testimony thereon. Then, in the over-length brief itself, after inexplicably citing a case wherein the Tenth Circuit remanded a case to the lower court for "explanatory testimony", Moore says such remand is unnecessary. It agrees that all the "explanatory testimony" that is necessary is already contained in the record here. (Br. 48.) This court should decide, Moore elsewhere says (Br. 35), "rather than merely remand and thereby defer the appeal for another day".

To be sure, Moore's reason for conceding that no trial is necessary is founded on the affidavit opinion statements of a lawyer, Burns, which, Moore says, the District Court was "unwarranted in rejecting". (Br. 12.) Moore mistakes the District Court.

— — *Court did not ignore Burns
affidavit but was correct in
according it little weight*

In stating that Burns was "rejected", Moore overlooks that the District Court considered "this affidavit as legal argument". (A 82.)

This was more than Moore might have expected.

Opinion testimony on such a legal question can be given any weight the court desires. As stated by Judge Learned Hand of this Court in *Kohn v. Eimer*, 265 Fed. 900, 902 (2d Cir. 1920):

"When the judge has understood the specifications, he cannot avoid the responsibility of deciding himself all questions of infringement and anticipation, and the testimony of experts upon these issues is inevitably a burdensome impertinence."⁵

Considering the shallow conclusions arrived at by Burns, it is a wonder the District Court did not outright reject the affidavit. Burns, while citing no real factual or legal basis for his opinions, reaches conclusions which are not only off-base but plainly contrary to existing law.

For example, without explanation Burns avers that Macaulay patent claims 24 and 25 calling for capsules "defined by claim 11" nonetheless "do not incorporate by reference all of the substance" of claim 11. (A 44.) As discussed *supra*, pp. 19-21, this position is flatly contrary to law standing for decades. Cf. *Zenith Radio Corp. v. Lehman*, 217 F. 2d 954 (2d Cir., 1955), affirming *Zenith Radio Corp. v. Lehman*, 121 F. Supp. 69 (S.D.N.Y. 1954).

The Burns affidavit was given all the weight to which it was entitled. Returning now to the merits of Judge Curtin's determination of file wrapper estoppel, first —

— **The Macaulay patent itself and the disclosure in the application upon which it issued create an estoppel**

The essence of Moore's claim for reversal here is that the District Court did not understand.

Moore attempts to point up the District Court's alleged error, however, by taking isolated pot shots at the Court's opin-

⁵ *Kohn v. Eimer, supra*, has been recently cited with approval by this Court in *Carter-Wallace, Inc. v. Otte*, 474 F. 2d 529, 547 (2d Cir. 1972), *cert. denied* 412 U.S. 929 (1973).

ion, ignoring factors which the Court considered vital to the appraisal of the patent. For example, in discussing the file wrapper, Moore *totally ignores* the thrust and content of the specification, the first significant entry in the file wrapper. Though elsewhere acknowledging that it spreads over twelve columns in the patent (Br. 6), Moore, in its discussion of the estoppel issue, *never mentions Macaulay's own description of his invention.*

The thrust and content of the specification is essential to any file wrapper discussion. This is because the *quid pro quo* for the patent grant is the disclosure of the invention. As stated in *Universal Oil Products Co. v. Globe Oil & Refining Co.*, 322 U.S. 471, 484 (1944):

"As a reward for inventions and to encourage their disclosure, the United States offers a seventeen-year monopoly to an inventor who refrains from keeping his invention a trade secret. But the *quid pro quo* is disclosure of a process or device in sufficient detail to enable one skilled in the art to practice the invention once the period of the monopoly has expired; and the same precision of disclosure is likewise essential to warn the industry concerned of the precise scope of the monopoly asserted."

The District Court recognized that the Macaulay patent has as its nub "free-flowing powder" (A 82), and that every object of the patent is founded on "free-flowing powder." (A 83.) The Court also recognized that "free-flowing powder" formed the basis of *distinction* set forth in the Macaulay patent between the Macaulay invention and the "work described in a 'Green' patent (U. S. Patent No. 2,712,507, issued on July 5, 1955)", stating (A 82-83):

"The Green patent describes a process for making microcapsules in an aqueous system. * * * *The Macaulay patent states that the use of aqueous coating systems is a serious disadvantage* * * *."⁶

In reviewing the *claims* of the Macaulay patent characterized by Moore as "the sole measure of the grant * * *" (Br. 13), the District Court found "free-flowing powder" at the root:

"Each of the claims of the Macaulay patent calls for or depends upon a free-flowing powder of microscopic capsules." [A 84.]

Moore cannot now bring into the Macaulay claims that which is antithetical to the very heart of the specification in the Macaulay patent. This rule of patent construction is clearly pointed out in the following cases:

In *Typewriter Hilliardized, Inc. v. Corona Typewriter Co.*, 43 F. 2d 961, 964 (2d Cir. 1930), the claims in suit were not in terms limited to "tie to the full type bar ring". They were held to be so limited because of the patent specification itself. The Court stated:

"The other claims in suit do not in terms tie to the full type bar ring. *Unless they are read, however, as limited to the full ring they are beyond and apart from what Hilliard described as his invention in his specifications and fall into the class he mentioned merely to contrast with what he had invented: i.e., machines having 'arcs*

⁶ The forty-six times Macaulay distinguishes his "free-flowing powder" have significance. In *Coupe v. Royer*, 155 U.S. 565, 576 (1894), the Supreme Court took note of the importance attributed to an element in a patent by reference thereto in the specification "no less than ten times".

of type rings for the type bars.' * * * Of course, a patent creates a monopoly in nothing *not both* described and claimed. [citations]"

Likewise with the Macaulay patent. Its specification mentions a "wet process" and the capsules produced thereby only "to contrast with what he had invented".

Note also Judge Learned Hand's opinion in *Clark v. Wright Aeronautical Corp.*, 162 F. 2d 960, 966 (2d Cir. 1947), wherein this Court stated:

"The new claims we hold invalid, read as the plaintiff asks us to read them; that is, to cover dampers like the defendant's dampers. When so read, they demand for their support a disclosure, not only not even intimated in the specifications, and unknown to the art at the time *but an interpretation of it actually repudiated by the very inventor himself.*"

Moore's own inventor, Macaulay, by his specification as above recited, repudiated "aqueous coating methods" as used by 3M in the manufacture of its Type 200 carbonless paper. On deposition, he confirmed (Ex. Tab J, p. 250):

"Q. Well, let's go back to your patent. Your patent was basically on free-flowing capsules, was it not?

A. Correct.

Q. And products made using such capsules.

A. Correct."

In *Texas Company v. Globe Oil & Refining Co.*, 225 F. 2d 725, 735 (7th Cir. 1955), the court held claims that were not in terms limited to the use of "clean circulation" in a particu-

lar step in the process to be limited to that step because of the specification:

"While it is a rule that the scope of the grant is measured by the claim, yet it is true, so we think, that such grant cannot be broader than the invention described in the specifications. And we reiterate that no person skilled in the art, or otherwise, could have obtained the slightest idea from a study of Behimer's specifications that he taught 'clean circulation' as a separate process or that he suggested its use in any manner other than in connection with heating in the tube and cracking in the drum. Therefore, the claims, if their validity is to be sustained, must be confined to the invention described in the specifications. When so construed, they are not infringed by defendant's process."

Moore's own authorities confirm the point it never considers. Compare *Peterson Filters and Engineering Co. v. The Eimco Corp.*, 155 USPQ 89 (D. Utah, 1967), *aff'd* 406 F. 2d 431 (10th Cir. 1968), cited by Moore at Br. 32. There, in connection with a file wrapper estoppel issue, the court made plain that the doctrine of equivalents will not be applied in a patent case where—

"there is a teaching to the contrary in the patent * * *".
[155 USPQ at 94.]

Here, the Macaulay specification indelibly underscores the term by which every claim is limited. To read the requirement of free-flowing powder out of the Macaulay patent so as to sweep within it wet capsules and wet processes would fly in the face of the "quid pro quo" for which the Macaulay patent was secured.

As stated by this Court in *Engler v. General Electric Co.*, 144 F. 2d 191, 195 (2d Cir. 1944) :

"It is to be taken for granted that the patentee meant what he said when he limited his claims in plain words to that essential feature of his machine. He then made his bargain and now must abide by it. *Ajello v. Pan-American Airways Corp.*, 2 Cir., 128 F. 2d 196."

In finding estoppel, the Court properly recognized the impact of the self-limiting feature of the Macaulay patent itself.

Also—

— **Patent Office history completes the estoppel. No claims were allowed in the Macaulay patent until all were limited in view of the prior art to "free-flowing powder"**

In embarking on its discussion of the file wrapper, the District Court was careful to place its foot on the rock of the file wrapper estoppel doctrine by stating the following (A 85) :

"The doctrine states that if a patent applicant, after being refused a patent, amends his application to narrow the scope of his claims in order to obtain a patent, he cannot later charge direct infringement against a device which falls within the scope of the disclaimed or abandoned subject matter. See *Exhibit Supply Co. v. Ace Patents Corp.*, 315 U.S. 126, 136-37 (1942)."

Moore overlooks mentioning *Exhibit Supply*. Perhaps this is because, from Moore's brief, one would get the impression that no claim in the Macaulay patent was amended to avoid the prior art.

The District Court recognized the fact to be otherwise (A 87):

"On June 4, 1959, Macaulay *again* revised his application."

Noting Macaulay's revision included acknowledgment (Ex. Tab B, pp. 89-90) that application claims 14-20 were re-amended to overcome rejection on the Green patent, the Court quoted Macaulay's explanation (A 87), in part reading:

"The Green Patent requires preparation of capsules in the form of aqueous dispersions and it is this aqueous dispersion which the patentee applies to the paper. * * * The applicant's capsules on the other hand, are obtained as a free-flowing dry powder * * *."

Thereafter, upon further emphasizing this explanation over Green (Ex. Tab, pp. 116-117), application claims 15-20, *as amended to limit them to free-flowing powder*, became patent claims 24-29 here in suit. (id., p. 147.)

Had original application claims, e.g., claim 15, been allowed in the original form, they would have read upon 3M's Type 200 carbonless paper. To secure allowance over the prior art, however, Macaulay amended the claims to make them depend on patent claim 11 which requires a "free-flowing powder".

In point, therefore, is *Exhibit Supply Co. v. Ace Patents Corp.*, 315 U.S. 126 (1942), the often-cited file wrapper estoppel decision referred to by the District Court (A 85) but never considered by Moore. In *Exhibit Supply*, an original claim which would have covered the defendant's product was amended so as to not cover the product. The court commented at 315 U.S. 136:

"Had Claim 7 been allowed in its original form it would have read upon all the accused devices * * * By the amendment he recognized and emphasized the difference between the two phrases and proclaimed his abandonment of all that is embraced in that difference. [Citations] * * * The difference which he thus disclaimed must be regarded as material, and since the amendment operates as a disclaimer of that difference it must be strictly construed against him. [citations]."

Likewise by his amendment, Macaulay recognized and emphasized the difference between wet and dry capsules in record copying sheets, and *proclaimed his abandonment* of all that is other than a "free-flowing powder".

Unlike Judge Curtin, Moore chooses to ignore this decisive history of the Macaulay patent, and its amendment over the prior art before allowance of any claim could be secured. Instead, Moore refers to application claim 36, which became Macaulay patent claim 11, observing that as to it there was "no amendment". What this overlooks is that the decisive amendments made to application claims 15-20 require that *every Macaulay patent claim be confined* to that which they recite, to wit—"free-flowing powder". *Schriber-Schroth Co. v. Cleveland Trust Co.*, 311 U.S. 211, 220-221 (1940):

"It is a rule of patent construction consistently observed that a claim in a patent as allowed *must* be read and interpreted with reference to claims that have been cancelled or rejected and the claims allowed cannot by construction be read to cover what was thus eliminated from the patent."

The reason and logic of the "rule of patent construction" applied in *Schriber-Schroth* becomes apparent here. If, as

Moore asks, one were to read out of claim 11 of Macaulay's patent the requirement that the capsules be a "free-flowing powder", such broadening would carry over to the record copy sheet of claim 24, because of the rule relating to construction of dependent claims discussed above. To allow this would improperly permit Macaulay to recapture that to which, by amendment, he had "proclaimed his abandonment". *Exhibit Supply Co. v. Ace Patents Corp.*, *supra*, 315 U.S. at 136.

The file wrapper estoppel was thus established by the history of amendment to application claims 15-20 before they became patent claims 24-29. As to this, Moore is strangely silent, but because the Court carried its inquiry further, Moore sets up strawmen. Thus —

— District Court properly considered
non-asserted claims

Without citing any case involving file wrapper estoppel, Moore, at Br. 23-27, criticizes the District Court for looking to the file wrapper in respect to claims which Moore does not assert to be infringed.

This contention is patently unsound. Consideration of "non-asserted claims" determined the Court's construction of asserted claims in *Mastini v. American Telephone & Telegraph Co.*, 236 F. Supp. 310 (S.D.N.Y. 1964), *aff'd* 369 F. 2d 378 (2d Cir. 1966). Since "cancelled" in the file wrapper history, non-asserted claims formed the fundamental basis for the estoppel in *Schriber-Schroth v. Cleveland Trust Co.*, 311 U.S. 211 (1940), *supra*.

The "non-asserted" Macaulay claims, inquiry into whose ancestry Moore protests, were process claims. What of it—

— District Court properly inquired
into Macaulay process

By complaining that the District Court should not have looked at non-asserted Macaulay process claims, Moore overlooks that one of the claims it charges 3M to infringe is directed to a *process*. See Macaulay patent claim 8. (Ex. Tab A, p. 9.) Perhaps Moore's oversight may be attributed to the fact that it does not now regard process claim 8 as "representative". Had the Court devoted no space to consideration of process, doubtless Moore would then have asserted claim 8 to be "representative", and complained of error.

Actually, the primary reason for the Court's inquiry into the Macaulay process involved an endeavor to pin down whether Macaulay gave particular meaning to "free-flowing powder". (A 86-87, 89.) Indeed, inquiring into application process claims 22 and 11, in light of amendments thereto made in order to avoid the prior art Green patent, revealed that Macaulay espoused special construction for *his* dry capsules. (A 86-87.) His capsules, Macaulay asserted, were *born* in dry powder form, as distinguished from the dried capsules of the Green patents which had *already been formed in aqueous dispersion*. (A 86; Ex. Tab B, p. 65.)

The Court's inquiry concerning the meaning of "free-flowing powder" in *process* claim was, of course, germane. The term is present in all *product* claims here in suit as well. And even Moore does not contend that "free-flowing powder" in one Macaulay claim means less than in another.

Moore is off-base when by heading it says (Br. 41) "process limitations will not be read into and are improper in product claims". In fact, as discussed above, the very basis for patentability of Macaulay claims 23-29 directed to record copying

sheets lies in their having "a *coating* of a free-flowing powder". "Coating" connotes process. As Macaulay states in the specification:

"What is also important is that the free-flowing capsule powder *may be applied* to a surface * * *". [Ex. Tab A, p. 6.]

Moore, by clipped quotation, cites (Br. 41) *In re Brown*, 459 F. 2d 531 (CCPA 1972), as establishing "the dichotomy of process and product claims". However, Moore reads the case differently than the court which decided it. See *In re Luck*, 476 F. 2d 650, 653 (CCPA 1973):

"As for the method of application, it is well established that *product claims may include process steps to wholly or partially define the claimed product*. See *In re Brown*, 459 F. 2d 531, 535, 59 CCPA—(1972) and the case cited therein. To the extent these process limitations distinguish the product over the prior art, they must be given the same consideration as traditional product characteristics." [Emphasis in original.]

Actually, every Macaulay claim is couched in process language. As for the claims in suit, claim 8 is directed to process. In claims 11, 12, 13, 16, 17 and 22, each of the free-flowing capsules contains liquid droplets "encapsulated", i.e., *enclosed within* an outer shell. And, as above mentioned, in claims 23-29, the record copying sheets or paper have their "coating" of a free-flowing powder.

The Court plainly was not in error in looking to *process* as part of its overall consideration of the Macaulay patent.

Next, as to Moore's complaint that the District Court violated this Court's rule by looking at the remarks of Macaulay's solicitor in the file wrapper—

— **Decision of District Court conforms to the
Second Circuit applications of
file wrapper estoppel**

Moore laments (Br. 23) that "the rule of the Second Circuit was brought to the attention of the Trial Court time and again". While 3M doubts that there is any great difference between the way this Court determines file wrapper estoppel from that employed in the Supreme Court and the other circuits, no useful purpose will be served by extended discussion. This Court is aware of its rules. And suffice it to say any debate with Moore is resolved by its understanding (Br. 22) that the "rule" was properly applied in *Mastini v. American Telephone and Telegraph Co.*, 236 F. Supp. 310 (S.D.N.Y. 1964), *aff'd* 369 F. 2d 378 (2d Cir. 1966).⁷

In *Mastini*, this Court affirmed the grant of summary judgment of non-infringement. There, discussion in the file wrapper of claims not in suit was considered for guidance as to the meaning of claims which were in suit. And remarks explaining the various amendments were looked to for elucidation. This Court stated (369 F. 2d at 379):

"Further, the File Wrapper history illustrates that Mastini was forced to cancel his early claims because of various prior art references. To overcome these references, new claims were submitted and *Mastini* remarked: 'none

⁷ The only more recent decision of this Court which Moore cites (Br. 22), as illustrating a Second Circuit Rule, did not even consider the point. See *Reeves Bros., Inc. v. U. S. Laminating Corp.*, 417 F. 2d 869 (2d Cir. 1969).

of [these references] describes the idea of automatically switching * * *.' Elsewhere Mastini distinguishes his invention from one requiring the presence of an operator."

Judge Curtin applied the teachings of *Mastini* in his consideration of the Macaulay file wrapper. Comparison of the portions of the Macaulay file wrapper dealt with (A 85-89) reveals that every one involved an explanation of a claim amendment then or theretofore made by Macaulay to his application. The statements of Macaulay's solicitor, as referred to by the Court, are *all* pertinent to amendments made by Macaulay and thus relevant to ascertaining that each and every claim of the Macaulay patent is indeed limited to "free-flowing powder", just as each states.

The Macaulay file wrapper was correctly referred to by the District Judge in the case at bar.

**— File wrapper estoppel can be
determined without presence of
the Green documents as such**

Moore says (Br. 34) it will "move the Court of Appeals to augment the record by the addition of the Green patents". 3M does not oppose, and would not have opposed their introduction below. Examination of the patents themselves will confirm what is already otherwise shown in the file wrapper—that the Green patents nowhere describe the use of dry free-flowing capsules in carbonless paper and that this distinction was fundamental in Macaulay's emphasis on the use of free-flowing capsules in order to secure the grant of his patent. This is highlighted in the revealing quotations set forth in Moore's brief at page 54, discussed *infra*, pp. 45-46.

As for Moore's issue of appeal involving whether there can ever be "a valid holding of file wrapper estoppel if the judge never examined the prior art", the answer lies in the fact that the Court did examine it. The Court simply did not have the patent documents as such. With the distinctions over the prior art appearing from the Macaulay patent itself, from statements of the Examiner, and through amendments to the Macaulay claims accompanied by the solemn explanations of Macaulay's solicitor, the District Court needed no more to determine the clear case of file wrapper estoppel here present.

If the Court below needed the patent documents as such to dispose of the file wrapper estoppel issue, let Moore who stands three-times "amazed" at their absence (Br. 12, 33, 35), explain why they were not introduced by it and why no point was made of their absence until after this case had long since been decided. Cf. F.R.C.P. Rule 56 (e), discussed next in connection with the second ground upon which the District Court granted summary judgment—

— **No issue of fact raised as to whether
Macaulay dry capsules in carbonless
paper are the equivalent of 3M's Type
200 paper made with wet capsules**

Moore boasts—

"There are so many factors that militate toward equivalence" that "it *will be* better simply to list a few." [Br. 53.]

The point is not what speculative factors may arguably "militate toward equivalence", or what Moore can now by after-thought raise. The inquiry for this court, rather, is whether a genuine fact issue was raised before Judge Curtin. Moore

seems elsewhere to agree, but tells this Court (Br. 51) that 3M in the District Court did not discharge a burden of proving a negative:

"With the burden on 3M to show that a free-flowing powder of microcapsules and a water slurry of microcapsules were not equivalents, what did 3M submit by way of affidavit evidence to sustain its burden?"

By this approach, Moore misapprehends one point and overlooks another.

First, as to Moore's misapprehension. The burden was not on either party to *prove* equivalency, or lack of it, but to raise a *genuine fact issue* concerning equivalency requiring trial testimony to resolve. Perhaps Moore's misapprehension arises from its failure to consider (or even cite) the procedural rule governing this case, viz., F.R.C.P. Rule 56(e):

"* * * Defense Required. * * * When a motion for summary judgment is made and supported as provided in this rule, *an adverse party may not rest upon the mere allegations or denials of his pleading, but his response, by affidavits or as otherwise provided in this rule, must set forth specific facts showing that there is a genuine issue for trial.* If he does not so respond, summary judgment, if appropriate, shall be entered against him."

Rule 56 makes clear what Moore had to do when 3M came to the Court with its motion based on affidavits and depositions showing Type 200 was made by a wet process with wet capsules and which responded to no claim of the Macaulay patent.

Next, as to the point Moore overlooked. Moore now conveniently forgets its concession early in the proceedings that

it had the burden on equivalency. Thus, after asserting equivalency merely by argument at the first hearing on August 2, 1973 (A 22), Moore conceded it had the burden of raising the issue on November 15, 1973 (A 34):

"MR. AMES: * * * Now, apparently I have that burden. If I have that burden to put in the first affidavit on the fact of equivalence, then I must take it."

Moore does not urge by any "issue presented for review" (Br. 2-3) that error was somehow committed below because Moore thus acknowledged its burden on the issue. It cannot now be heard (Br. 51) to shift "the burden on 3M".

In any event, Moore did indeed attempt to follow up the equivalency issue. On February 22, 1974, Moore filed the affidavit of its "Research Chemist", William D. Swiercz (A 46), based not on any consideration of equivalency conducted prior to this suit such as might have given Moore a good faith basis for bringing it, F.R.C.P. Rule 11, but on experimental work begun only on February 6, 1974 (A 47), two years after this suit was filed. However—

—— Swiercz affidavit raises no fact
issue of equivalency as to accused
Type 200 carbonless paper

In his work chemist Swiercz "repeated Example IV, described in Column 9 of [Macaulay] U. S. Patent No. 3,016,308, with certain modifications." (A 47.) A two-part experiment was performed. With modifications, Swiercz carried Macaulay Example IV to conclusion to form a dry free-flowing powder, which after mixing with a binder of polyvinyl alcohol in water was coated on a sheet of paper with the aid of a coating bar.

The resulting sheet was called "Drawdown No. 13A". (A 49, ¶ 7.) In the other part of the experiment, he harvested a water slurry of product in mid-process, labeling it as "Sample #9 neutral slurry" (A 48, ¶ 5), mixed this with polyvinyl alcohol binder, and coated the mixture on paper to form "Drawdown No. 10A". (A 48-49, ¶ 6.)

Affiant Swiercz characterizes neither of his drawdowns as containing "microcapsules". Only Moore by unsupported argument draws this conclusion. (Br. 48-49.) Thus arises a question of whether the experiment could raise any fact issue as to microcapsules. Assuming, however, that capsules were formed, in each part of the experiment the capsules contained an "oil-carbon black mixture" (A 48, ¶ 5), as indeed is called out in Example IV of the Macaulay patent. (Ex. Tab A, p. 7.)

Thus, Swiercz in his two-part experiment, patterned after Example IV of the Macaulay specification, simply *made two carbon papers*. Lest there be any doubt, note the statement in the Macaulay file wrapper (Ex. Tab B, p. 102):

"Thus one of the important uses of appellant's [Macaulay's] capsules, which is emphasized in the present specification, is in the preparation of copying materials of the type that the layman often refers to as 'carbon paper'."

The two sheets made by Swiercz are in the record, as Moore notes at A 50 and in its brief (p. 49). At both places, Moore invites the Court to test the sheets "to see whether there is any difference in function". As to mode of testing, Swiercz stated (A 49, ¶ 8), the "drawdown is normally tested by laying the drawdown sheet face down on a clean sheet of paper and writing or scribbling on the reverse of the drawdown sheet". When Swiercz did so on his exhibit sheets, both imprinted—

"the imprints on the clean sheet from writing over the draw-downs were substantially identical". (A 50.)

The Court will note that the test Swiercz describes is simply a way in which conventional carbon papers known through the years transfer an image. Such conventional materials contain no capsules and need none whatsoever to "imprint on the clean underlying sheet" by transferring carbon.

The point here is that no part of the Swiercz experiment purported to run any test on *carbonless* papers wherein capsules containing one chemical ingredient are placed in an environment containing another chemical ingredient. As the uncontroverted Ostlie affidavit describes (A 17-19) : in properly functioning *carbonless* paper, the imaging fluid contained within the capsules is released through impacting to chemically react with the other ingredient to form an image in the area where the impacting pressure occurred; yet the micro-capsules must, of course, retain the imaging fluid without leakage on normal handling of the sheet so that premature reaction with consequent discoloration does not occur.

Swiercz' tests on his carbon-paper exhibits, of course, reveal none of this information crucial to determination of equivalent results of capsules in *carbonless* paper.

The Swiercz affidavit is plainly defective in two respects: (1) one does not determine equivalence in respect to *carbonless* paper by comparing two *carbon* papers; and (2) one cannot determine equivalence of an *accused* *carbonless* paper without running tests on either it or its components.

As to the first of these defects, reference need only be made to the test Moore advocates (Br. 50) :

"The way to test that equivalence is to see the differences, if any, between the powder and the slurry as coated on paper to make carbonless paper."

Quite apart from being an unduly broad statement for failure to involve the accused product, it is evident that the Swiercz affidavit comparing two *carbon* papers cannot meet even Moore's test of equivalence, which requires the making of a "carbonless paper". Moore sluffs over this detail. Both in its brief (Br. 50) and in the record (A 50), Moore represents the Swiercz exhibits as "drawdowns of carbonless paper". It ill befits Moore to do so when: they contain carbon; they are imaged by transfer of carbon like carbon paper; such products are characterized in the Macaulay file wrapper as "carbon paper"; and affiant Swiercz claimed nothing else for them.⁸

The second defect in the affidavit involves Swiercz' failure to relate his tests in any way to the capsules employed by 3M in the accused Type 200 paper, to the process of their use or the paper itself. The very case Moore urges on equivalency, *Graver Tank & Mfg. Co. v. Linde Air Products Co.*, 339 U.S. 605 (1950), makes clear that in consideration of equivalency, the examination of the accused product is vital. As stated by the Court at page 610:

"In the case before us, we have two electric welding compositions or fluxes: the patented composition, Union-melt Grade 20, and the accused composition, Lincoln-weld 660."

⁸ Moore goes so far in the Joint Appendix to claim one of the Swiercz exhibits "is a drawdown of a carbonless paper made according to a 3M type slurry process", which characterization 3M unsuccessfully opposed as inappropriate for inclusion in a "joint" appendix. (See A 50.)

The Court then goes on to compare the accused composition with that made under the patent. Only upon determining that the two fluxes "are identical in operation and produce the same kind and quality of weld" was equivalency found. 339 U.S. at 610.

In so considering equivalence in *Graver*, the Supreme Court was following precepts earlier laid down in *Sanitary Refrigerator Co. v. Winters*, 280 U. S. 30, 36 (1929):

"Furthermore, upon the undisputed evidence the question of infringement resolves itself in each case into one of law, depending upon a comparison between the structure disclosed on the face of the patent and the device shown in the Dent latch, and the correct application thereto of the rule of equivalency. Compare *Singer Mfg. Co. v. Cramer*, 192 U.S. 265, 275, 48 L. ed. 437, 443, 24 Sup. Ct. Rep. 291."

Moore acknowledges *Sanitary*; but mumbles a distinction without difference. (Br. 52.) The case is applicable. All the "evidence" on the "question of infringement" here is undisputed. Like *Sanitary*, as Judge Curtin held, the question resolves itself "into a matter of law for the Court". (A 84-85.)

The District Court was not oblivious of the *Graver* and *Sanitary* decisions, having cited both. (A 84.) It was correct in stating (A 82):

"The Swiercz affidavit does not attempt to show equivalency with respect to the microcapsules alleged to be here infringing. No tests have been conducted on any of the alleged infringing carbonless papers."

And for this reason, the Court was also correct in its conclusion (A 90):

"the Swiercz affidavit presents no genuine issue of fact on the question of defendant's Type 200 brand carbonless paper infringing the Macaulay patent in suit."

This is the complete answer to Moore's complaint why 3M saw no need to "offer an affidavit similar to Swiercz". (Br. 51.)

— Other "factors" Moore points to
on equivalency raise no "genuine
issue of material fact"

In its brief (p. 53-57), Moore cites four "other factors pointing toward equivalence". None raises a genuine fact issue.

(a) *Prior art Green patents raise no issue of equivalence*

Moore relies upon and quotes from the three Green patents which were prior art to Macaulay, having filed the patents in the court here despite never regarding them as important enough to present to the District Court. (Cf. A 104, 107.)

It is unnecessary to go to the patents themselves to see that Moore makes no point. The Court need only consider Moore's quotations from the Green patents (Br. 54) against its earlier statement (Br. 50) that—

"The way to test that equivalency is to see the differences, if any, between the powder and the slurry as coated on paper to make carbonless paper."

Examination of the statements quoted from the Green patents fails to reveal any reference to use of dry or powdered capsules in carbonless paper. Instead, Moore's quotations show only that the Green capsules as formed in a slurry "are dried",

e.g., "spray dried", and not that in this dry form capsules were or could be applied to make carbonless paper. One does not, by pointing out that capsules may be harvested wet, and also harvested dry, thereby establish the equivalency of two forms for any use. Still less can this raise any fact issue as to their "equivalency in carbonless paper".

With its propensity for going outside the record, the Court may be assured that if Moore could have found in any Green patent a disclosure comparing wet and dry capsules in carbonless papers, Moore's quotations would have brought it out.

(b) Dr. Ostlie's deposition testimony raises no fact issue

In its heading at page 55 of its brief, Moore states:

"Dr. Ostlie testified that they were equivalent."

Moore is careless.

Dr. Ostlie gave no such testimony. Moore quotes none. Considering that the portion of the testimony Moore offered occupies but thirty-four lines (A 51-52), Moore surely would have quoted it if actually helpful to its cause.

(c) Ostlie 1968 affidavit raises no fact issue favoring Moore

There is, as Moore says (Br. 55-57), an earlier affidavit of Dr. Ostlie, filed in the United States Patent Office in 1968 in support of the then pending 3M patent application which became U. S. Patent No. 3,516,941 disclosing 3M's carbonless paper.⁹ While not the same uncontroverted affidavit of Dr. Ostlie upon which the District Court relied (A 89), neither are the facts set forth in the 1968 affidavit controverted.

⁹ The prior Ostlie affidavit, as printed in the Appendix, omits the date. The copy in the original record, indexed as item 35(b), shows it to be Exhibit 15 relating to depositions of Messrs. Sell, Bretson and Ostlie. The affidavit was executed March 2, 1968 and filed in the United States Patent Office.

Moore sees the affidavit, however, as containing an admission by Dr. Ostlie because he labeled as the "Macaulay process" experiments patterned after the disclosure in the Macaulay patent in order to distinguish them from those patterned after the 3M patent application there under consideration.

Moore's desperation shows. No issue of equivalency can possibly arise because of Dr. Ostlie's use of the words "Macaulay process".

Were it not so intent at seeing banner headlines in Dr. Ostlie's use of these two words (Br. 56), Moore might have recognized this. Note the complete sentence from the affidavit (A 55) seized upon by Moore:

"The first set of runs was designed to *ascertain the suitability for use* of the capsules made by the Macaulay process in an impact marking copy paper of the kind described, for example, in Example 18 at page 33 of the Matson application Serial No. 567,723."¹⁰

Dr. Ostlie by this sentence could not have been acknowledging equivalency or suitability in carbonless paper of capsules made according to any "Macaulay process".

This was exactly what Dr. Ostlie was to "ascertain".

Pertinent, then, is what Dr. Ostlie found.

In respect to tests conducted on sheets made from his "Run A" to which Moore refers (Br. 56), Dr. Ostlie stated (A 57):

¹⁰ The impact marking paper referred to is a carbonless paper, the same said "Example 18" forming the basis for the attachments to the other affidavit of Dr. Ostlie relied upon by the Court. (See A 19-20; the attachments appearing at Ex. Tab K. pp. 275-277.)

"As can be observed at the lower right hand corner of Exhibit A, *no evidence of image forming capability beyond the background of the sheet itself is found*; however, the imprint of the die on the sheet can be readily observed at the lower right hand corner of the sheet."

The carbonless paper made by Dr. Ostlie with the capsules of the "Macaulay process" was thus a *complete failure*.

The Court will find of interest Moore's incredibly misleading appraisal of Dr. Ostlie's results (Br. 56-57):

"The neutralized slurry (without drying) Dr. Ostlie made by the Macaulay process was used to form paper sheets *that marked on the application of pressure*."

Perhaps Moore read the affidavit upon which it relies too hastily, and did not intend to imply that which failed was suitable. The test sheet did "mark". However, this was due—not to the capsules—but to the force of the imprint die used in the test (A 57), much as a malfunctioning ball point pen embosses or scribes a mark on paper while leaving no ink.

The other carbonless papers made using capsules formed by "the Macaulay process" likewise struck out. The Run B sheet, like the Run A, "failed to form an image when struck with the die". (A 58.) Run C "failed to image". (A 58.) Run D was "incapable of further image formation upon being struck with a die". (A 59.) In Run E, "no image formed". (A 59.) And while in Run F "a very light lavender image formed * * * strength of the capsules is still much too low for useful applications". (A 59.)

In contrast, note the results of like tests conducted on the Run K carbonless paper made in accordance with the 3M process—as distinguished from “the Macaulay process” (A 61; cf. A 59-60):

“The sheet is white and *the image formed* thereon by the die is a deep lavender blue.”

The 1968 Ostlie affidavit thus shows that when capsules are patterned after the procedures of Macaulay patent Example IV they are “unsuitable” in carbonless papers.

To be sure, the 1968 Ostlie affidavit represents experimentation conducted at 3M and doubtless would have been challenged as biased had 3M offered it. But 3M did not offer this affidavit of its work. Moore did—and it stands uncontroverted as evidence that the Macaulay capsules cannot be considered equivalent to function in the same way to achieve the same result as the capsules in 3M’s carbonless paper.

(d) *No “common experience” is pointed up by Moore to raise fact issue of equivalency*

Examination of this section (Br. 57) reveals it to be like much of Moore’s brief, naked argument of counsel without even purported support.

Moore’s Seven “Material Facts” Present No Triable Issue

Moore waits until Br. 59 to drop a bomb which, if only fused, would secure reversal here. That none of Moore’s belatedly itemized “facts in issue” (a)-(g) presents any triable issue is established above. See *supra*: pp. 19-23 re Moore points (a) and (b); pp. 25-33, 38-49 re points (c) and (d); and pp. 9-14, 30-38 re points (e), (f) and (g).

CONCLUSION

On uncontroverted facts, 3M's Type 200 carbonless paper made by the wet process with wet capsules does not literally infringe Moore's patent, all claims of which are confined in terms of a "free-flowing powder" of capsules. File wrapper estoppel precludes Moore from contending that the "free-flowing powder" requirement can be read out of its patent so as to sweep therewithin the accused product. Even if there were no estoppel, Moore, despite a myriad of opportunity, raised no genuine fact issue supportive of its contention that 3M's wet capsules are equivalent to Macaulay's free-flowing powder of capsules in carbonless paper.

The judgment of the District Court should be affirmed.

Respectfully submitted,

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